

# Appendix 1

## Definitions

### Candidate

(Sections 82007; 84214)

An individual becomes a candidate in California under the following circumstances:

- The individual's name is listed on a primary, general, special, or recall election ballot; or
- The individual is qualified to have election officials count write-in votes on his or her behalf for nomination or election to any state or local elective office.

An individual who receives a contribution or makes an expenditure (or gives consent for any other person to receive a contribution or make an expenditure) for his or her nomination or election to any state or local elective office also is a candidate under the Political Reform Act, even if:

- The specific elective office the individual will seek is not known when the contribution is received or the expenditure is made. (However, Section 85200 requires the candidate to provide this information (Form 501) prior to receiving any contributions or making any expenditures.)
- The individual has not announced his or her candidacy.
- A declaration of candidacy has not been filed.

An elected officeholder also is considered to be a candidate under the Act.

Individuals running for federal office, such as United States President, Senator, or Representative, are not candidates under the Act.

An individual retains his or her status as a candidate (even if defeated in an election) until all campaign activity requiring disclosure has ended. A controlled committee must file

a Statement of Organization, Form 410, with the "Termination" box checked.

### Contribution

(Section 82015; Regulations 18215 and 18225.7)

A contribution is a payment, including a loan, a forgiveness of a loan, a third party payment on a loan, or an enforceable promise to make a payment except to the extent that full and adequate consideration is received, unless it is clear from the surrounding circumstances that it is not made for political purposes. A payment made at the behest of an officeholder, candidate, or committee is a contribution to the officeholder, candidate, or committee unless full and adequate consideration is received for making the payment.

A payment is "made at the behest of" an officeholder, candidate, or committee if it is made under the control or at the direction of the officeholder, candidate, or committee. It is also made at the behest if it is made in cooperation, consultation, coordination, or concert with, or at the request or suggestion of the officeholder, candidate, controlled committee, official committee of a political party, or organization formed or existing primarily for political purposes.

### Election Activities

Payments for the following election-related activities are considered to be related to a candidate's candidacy for office:

- Communications that contain express advocacy for the nomination or election of the candidate or the defeat of his or her opponent.
- Communications that contain reference to the candidate's candidacy, the candidate's election campaign, or the candidate or his

or her opponent's qualifications for elective office.

- Solicitation of contributions to the candidate or to third persons for use in support of the candidate or in opposition to his or her opponent.
- Arranging, coordinating, developing, writing, distributing, preparing, or planning of any election-related communication or activity.
- Recruiting or coordinating campaign activities of campaign volunteers on behalf of the candidate.
- Preparing campaign budgets.
- Preparing campaign finance disclosure statements.
- Communications directed to voters or potential voters as part of activities encouraging or assisting persons to vote if the communication contains express advocacy for the nomination or election of the candidate or the defeat of his or her opponent.

### Common Contributions

- Tickets purchased for political events such as dinners, luncheons, rallies, and similar fundraising events.
- The officeholder or candidate's own money or property.
- Discounts or rebates not generally extended to the public.
- Television, radio, or newspaper discounts or rebates not equally extended to all candidates for the same office.
- Payments made by any person for the services of another person rendered on behalf of a candidate or committee. However, if an individual is paid by his or her employer, those payments are not contributions unless employees spend more than 10% of their compensated time during a calendar month working on

behalf of an officeholder, candidate, or committee.

- Transfer of anything of value a committee receives from another committee, unless the committee pays the fair market value.

### Contributions; Exceptions

- A home or office meeting or fundraising event held in an occupant's home or office, if the total costs for the meeting or event are \$500 or less. If more than \$500 is spent, the total amount is a contribution.
- Any individual's volunteered personal services or payments for his or her own travel expenses if the payments are made voluntarily and without any understanding or agreement that the individual will be repaid or reimbursed.
- A candidate's personal funds used to pay a filing fee for a declaration of candidacy or a candidate statement prepared pursuant to Section 13307 of the Elections Code.
- Certain payments made principally for legislative, governmental, or charitable purposes (co-sponsored events) unrelated to a candidate's candidacy for elective office.
- Gifts made principally for personal purposes unrelated to a candidate's candidacy for elective office.
- An expenditure by a political party or a political committee that is made at the behest of a candidate or officeholder if the expenditure is made in connection with voter registration activities and does not clearly identify or expressly advocate the election or defeat of any candidate for elective office.
- A payment made at the behest of a candidate for a communication that does not expressly advocate for the candidate; does not refer to the candidate's candidacy for elective office, the

candidate's election campaign, or the candidate's or his or her opponent's qualifications for office; and does not solicit contributions to assist in the candidate's campaign.

- A payment made by a candidate or committee for another candidate to attend the paying candidate or committee's fundraiser.
- A payment made by a candidate to let voters know that another candidate has endorsed him or her, except that no express advocacy may be made on behalf of the endorsing candidate, or opposition to his or her opponent. (See Chapter 3 for the definition of "express advocacy.")
- A payment made by a ballot measure committee telling the voters which candidates support or oppose the ballot measure, as long as there is no express advocacy on behalf of the endorsing candidate, or opposition to his or her opponent.
- Payments for a news story, commentary, or editorial by a regularly-published newspaper, magazine, or other periodical of general circulation which routinely carries news articles, and commentary of general interest.
- Payments for a news story, commentary, or editorial by a federally-regulated broadcast outlet (radio or television).
- A payment by an organization for its regularly-published newsletter or periodical, if the circulation is limited to the organization's members, employees, shareholders, or other affiliated individuals, and those who request or purchase the publication. This regulatory exception has been largely subsumed by a broader statutory provision concerning communications by an organization to its members (See Member Communications, below).
- A payment for a debate or other forum sponsored by a nonpartisan organization in which at least two candidates appearing on the ballot for the same elective office are invited to participate.
- A payment for a debate or other forum in which the proponent of a ballot measure and at least one opponent, or their respective representatives, are invited to participate in equal numbers.
- A payment for a debate or other forum sponsored by a political party or affiliated committee in which a majority of the candidates for that party's nomination are invited to participate.
- A payment made by a bona fide service, social, business, trade, union, or professional organization or group for reasonable overhead expenses associated with the organization's regularly-scheduled meeting at which a candidate or an individual representing either side of a ballot measure speaks, if the organization pays no additional costs in connection with the speaker's attendance.
- A payment made by a candidate for a communication in support of or opposition to a ballot measure, if the communication features the endorsing candidate or clearly identifies him or her as the sponsor of the communication. This exception does not include a monetary contribution from a candidate or his or her controlled committee to a ballot measure committee.
- A payment by a sponsoring organization for the establishment and administration of a sponsored committee, provided such payments are reported. Any monetary payment made to the sponsored committee shall be made by separate instrument. "Establishment and administration" means the cost of office space, phones, salaries, utilities, supplies, legal and accounting fees, and other

expenses incurred in setting up and running a sponsored committee.

- When a candidate requests that someone else make a contribution to another candidate or committee not controlled by the candidate making the request, a contribution has not been made to the candidate making the request.
- Payments for communications to members, employees, shareholders, or families of members, employees, or shareholders of an organization for the purpose of supporting or opposing a candidate or a ballot measure, provided these payments are not made for general public advertising, such as broadcasting, billboards, and newspaper advertisements. However, such payments are reportable if made by an existing committee (e.g., an organization's sponsored committee). In addition, political party committees must report payments for communications to their members in the same manner as contributions and independent expenditures.

### **Controlled Committee**

(Section 82016)

If an officeholder, candidate, or state measure proponent exerts significant influence on the actions or decisions of a recipient committee, he or she controls the committee. In almost all cases, officeholders or candidates control the primary committee that is set up to support their officeholder or candidacy status. Committees can even be controlled indirectly through agents of candidates and officeholders.

### **Elective Office**

(Section 82023)

Any state, regional, county, municipal, district, or judicial office that is filled at an election. Although membership on a county

central committee of a qualified political party is considered an elective office, alternate members of county central committees and chairpersons of Assembly district committees are not subject to the Act's disclosure requirements. Those appointed to an elective office, however, are subject to the Act. Membership on the Board of Administration of the Public Employees Retirement System is also an elective office.

### **Independent Expenditure**

(Section 82031)

"Independent expenditure" means an expenditure made by any person in connection with a communication which expressly advocates the election or defeat of a clearly-identified candidate or the qualification, passage, or defeat of a clearly-identified measure, or taken as a whole and in context, unambiguously urges a particular result in an election but which is not made to or at the behest of the affected candidate or committee.

### **Person**

(Section 82047)

An individual, proprietorship, firm, partnership, joint venture, syndicate, business trust, company, corporation, limited liability company, association, committee, and any other organization or group of persons acting in concert.

### **Primarily Formed Committee**

(Section 82047.5)

A recipient committee that is formed or exists primarily to support or oppose:

- (a) A single candidate; or
- (b) A single measure; or
- (c) A group of specific candidates being voted upon in the same city, county, or multicounty election; or

- (d) Two or more measures being voted upon in the same city, county, multicounty, or state election.

Also see the definition of “controlled committee,” above. A primarily formed committee is one that is not controlled by the candidate or officeholder the committee supports.